

**Minutes of Special and Regular Meeting of June 12, 2018**  
**One Twin Pines Lane, Belmont, CA**

**SPECIAL MEETING**

**CLOSED SESSION [Conference Room Suite 360, 6:00 P.M.]**  
**Conference With Labor Negotiators (Govt Code Section 54957.6)**

AFSCME Local 829, Council 57, Belmont Firefighters Association, International Association of Firefighters Local 2400, and Belmont Fire Management Unit. Agency designated representatives: Greg Scoles, City Manager and District Manager

**STUDY SESSION [City Council Chambers, 6:15 P.M.]**

**CalPERS Unfunded Accrued Liability (UAL) Funding Options**

Finance Director Fil noted that the City of Belmont's PERS (Public Employee Retirement System) obligation is 70 percent funded. He reviewed the risk mitigation strategy.

**Ira Sumner**, Consultant, provided information on the 30-year PERS obligation for safety and no-safety personnel. He pointed out the City has a \$35million unfunded liability.

Discussion ensued regarding assumptions made by PERS, including retirement dates, rate of return, and retirement pay increases. It was noted that the City could strategize the early-year unfunded liabilities to provide more flexibility in subsequent years for funding its liability.

Discussion ensued regarding options for acceleration of payment of unfunded PERS liabilities.

Finance Director Fil outlined opportunities for additional discretionary payment options, including a one-time irreversible option with a shorter payoff timeline. He clarified that any additional payments would be generated from the General Fund. He outlined the pros and cons of options relative to the Section 115 pension trust, and noted that staff recommended consideration of a combination of additional discretionary payment and a lump sum prepayment.

The majority of Council concurred with staff recommendation to utilize a combination of the additional discretionary payment and lump sum payment. Councilmember Lieberman and Mayor Kim suggested having additional dialog regarding paying down this debt over other paying obligations such as infrastructure.

Attended by: Councilmembers Lieberman, Hurt, Stone, Mates, Kim

**ADJOURNMENT 7:10 P.M.**

Terri Cook

**REGULAR MEETING  
CALL TO ORDER 7:15 P.M.**

**ROLL CALL**

Councilmembers Present: Lieberman, Hurt, Stone, Mates, Kim  
Councilmembers Absent: None

**PLEDGE OF ALLEGIANCE**

Led by members of the Youth Advisory Committee (YAC)

**REPORT FROM CLOSED SESSION**

City Attorney Rennie stated there were no reportable actions in the Closed Session held earlier.

**SPECIAL PRESENTATIONS**

**Youth Advisory Committee (YAC) Recognition**

Mayor Kim presented the proclamation. Members of the Youth Advisory Committee (YAC) commented on their experiences.

**Recognition of Falafelle as one of Yelp's top 100 restaurants**

Mayor Kim presented a Certificate of Recognition to Falafelle.

**PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

**Kathleen Beasley**, Belmont Library Manager, described the Library's summer learning programs.

**COUNCILMEMBER ANNOUNCEMENTS**

Councilmember Stone stated that he attended School Force's fundraiser. He congratulated Supervisors Groom and Horsley on their re-election, and commented regarding the school district's ballot measure.

Councilmember Mates noted that the new car wash was getting ready to open. She announced the upcoming summer concert series. She pointed out that construction activities are outlined in the City Manager's weekly report.

Mayor Kim noted the upcoming minimum wage increase, effective July 1. He described the off-leash hours that will be commencing at Barrett. He announced an upcoming Seniors on the Square event and a Pride Center Forum for LGBTQ adults over 50. He pointed out that applications for the utility box art program are now being accepted. He noted the Carlmont High School internship program was beginning at City Hall for the summer. He also announced the upcoming City-sponsored blood drive.

**ITEMS APPROVED ON CONSENT CALENDAR**

### **Approval of Minutes**

**Minutes** of Special and Regular City Council Meeting of April 24, 2018

**Minutes** of Special and Regular City Council Meeting of May 8, 2018

**Minutes** of Special and Regular City Council Meeting of May 22, 2018

**Resolution 2018-044** approving the Amended Bylaws for the San Mateo County Library Joint Powers Authority and Second Amended Joint Powers Agreement

**Resolution 2018-045** amending the pay scale for part-time/variable hour and per diem job classifications.

**Resolution 2018-046** approving the installation of an Accessible Parking Space fronting 919 Ruth Avenue

**Resolution 2018-047** authorizing the City Manager to execute a task order with Pavement Engineering Inc. for the design of the 2019 Pavement Maintenance Project for an amount not to exceed \$202,975 and a 10% contingency

**Motion** to Receive Monthly Financial Reports

**Motion** to Accept Sanitary Sewer Easement Rehabilitation Project Report

**Resolution 2018-048** accepting work and authorizing the issuance of a Notice of Completion to Bay Pacific Pipelines, Inc. for the 2016 Sewer Rehabilitation Project, City Contract Number 2016-550, for a final contract cost of \$1,764,315

**Resolution 2018-049** authorizing a Task Order with CSG Consultants, Inc. for transportation design services for the Ralston Avenue Corridor Improvement Project – Segment 3, for an amount not to exceed \$488,417

**ACTION:** On a motion by Councilmember Stone, seconded by Councilmember Hurt, the Consent Agenda was unanimously approved.

### **PUBLIC HEARINGS**

#### **Adopt Budget and Related Items for Fiscal Year 2019**

Finance Director Fil explained that this was the final action for adopting the Fiscal Year 2019 budget. He noted that both the Audit Committee and Planning Commission met regarding this matter.

Deputy Finance Director Paras described the City Council, Audit Committee and Planning Commission review regarding compliance with the General Plan for the capital plan. She provided a budget brief and noted that the budget is above targeted reserve levels. She pointed out that the budget addresses the highest level of infrastructure needs it has ever met. She explained that the City will be issuing \$15 million in sewer bonds in the next fiscal year. She outlined capital projects for the next fiscal year, and pointed out that a mild recession is projected by mid-year.

Deputy Finance Director Paras outlined the actions to be taken. She reviewed adjustments made in the master revenue schedule, and noted that some fees remain flat or have been reduced. She clarified that some fees are subsidized.

Members of the Audit Committee (Hurt/Mates) outlined the Audit Committee's review of the

proposed budget.

Discussion ensued regarding specific fees on the master revenue schedule. Discussion also ensued regarding how to move from stabilizing to thriving. Finance Director Fil explained that this would be accomplished by diversifying revenue sources and providing for robust services.

Councilmember Lieberman recommended looking into variable rate structure for rental of City facilities based on demand.

Mayor Kim opened the Public Hearing. There were no speakers. Mayor Kim closed the Public Hearing.

Councilmember Lieberman expressed support for maintaining the current fee for street closure for block parties.

Councilmember Stone expressed a desire to focus on economic development. He concurred with Councilmember Lieberman regarding the street closure fee. He supports further discussion about variable fees for facility rental. He would like a future policy discussion regarding police fines.

Councilmember Mates suggested having a fee discussion earlier in the budget process. She noted that facility rental fees are manageable, and she does not want to increase them in a way that would dissuade people from renting facilities. She pointed out that the proposed budget demonstrates stewardship of reserves, and the City is investing in infrastructure. She pointed out the need for ongoing discussion regarding PERS obligations.

Mayor Kim noted that the budget addresses infrastructure, deferred maintenance and PERS obligations, despite the potential future recession. He stated that he had anticipated reductions in fees based on recent changes to zoning and single family review.

**ACTION:** On a motion by Councilmember Stone, seconded by Councilmember Mates, the following resolutions were unanimously adopted:

**Resolution 2018-050**, Adopting FY 2018-2019 Revenue, Appropriations, and Capital Improvement Program Budgets and Permanent Staffing Plan for the City of Belmont

**Resolution 2018-051**, Establishing the City of Belmont's Appropriation Limit for FY 2018-2019

**Resolution 2018-052**, Establishing the Annual Special Tax for Community Facilities District No. 2000-1 (Library Project) For FY 2018-2019 and Requesting the County of San Mateo Collect the Special Tax on the Property Tax Rolls

**Resolution 2018-053**, Making FY 2018-2019 Amendments to the Master Revenue Schedule (with street closure fee remaining at \$100)

**Under Proposition 218 to Consider Protests to Proposed Increases to Sewer Service Charges Effective Fiscal Years 2018/2019 and 2019/2020**

Public Works Director Oskoui reviewed the City Council's discussion in April regarding the

proposed rate increases for sewer service charges.

Sean Korn, Consultant, reviewed the factors used in the rate-setting process. He noted that a 9 percent rate increase for each of the next two years is being recommended. He described the equitable allocation of cost of service to low- and high-strength customers, which is required under Proposition 218.

Discussion ensued regarding the impact if rates were not increased. Discussion also ensued regarding the cost of debt service.

**Alexander Pelevin**, Belmont resident, stated he is protesting the fee. He questioned the calculation of fees based on winter water use, and suggested consideration for the use of actual consumption averaged throughout the year.

Mr. Korn described options to incorporate monthly water usage as opposed to averaging winter use, and noted that since the City does not provide water service, it would be problematic to utilize this approach.

City Clerk Cook reported that 11 protest letters were received, which is below the threshold required to stop any increase.

**ACTION:** On a motion by Councilmember Lieberman, seconded by Councilmember Hurt, and unanimously approved to introduce an ordinance Increasing Certain City Sewer Service Charges Effective on July 1, 2018 and on July 1, 2019

**RECESS: 9:10 P.M.**

**RECONVENE: 9:15 P.M.**

City Attorney Rennie read the title of ordinance.

**Annual Report for Collection of Sewer Treatment Facility Charges and Annual Report for Collection of Storm Drainage Fees (matters considered together)**

Public Works Director Oskoui explained that this action allows the fees to be collected on the tax roll.

City Clerk Cook noted that no protest letters were received on this matter.

**ACTION:** On a motion by Councilmember Stone, seconded by Councilmember Lieberman, the following resolutions were unanimously approved:

**Resolution 2018-053** approving the annual report for collection on the tax roll of the sewer treatment facility fees charged to parcels to fund the City of Belmont's share of the Silicon Valley Clean Water sewer (SVCW) treatment plant and conveyance system upgrades for FY 2018/2019

**Resolution 2018-054** approving the annual report for collection on the tax roll of storm

drainage fees charged to parcels to fund the City of Belmont's National Pollutant Discharge Elimination System (NPDES) Storm Water Compliance Program for FY 2018-2019

**COMMISSION, COMMITTEE, AND COUNCIL INTERGOVERNMENTAL ASSIGNMENT UPDATES, AND STAFF ITEMS**

**Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments**

Councilmember Stone reported on recent Library Board, Sam Trans Board and Caltrain Joint Powers Board meetings.

Councilmember Lieberman stated he attended a TOT (transient occupancy tax) subcommittee meeting with Mayor Kim.

Mayor Kim reported on a recent HEART (Housing Endowment and Regional Trust) Board meeting, a Bay Area Air Quality District (BAAQMD) meeting, a County-wide transportation meeting, and the TOT subcommittee meeting as noted by Councilmember Lieberman. He also attended a Climate Protection committee meeting of the BAAQMD,

**Verbal report from City Manager**

No report.

**MATTERS OF COUNCIL INTEREST/CLARIFICATION**

Mayor Kim expressed his desire for a future discussion regarding EV (electric vehicle) public charging stations.

**ADJOURNMENT at this time, being 9:25 P.M.**

Terri Cook  
City Clerk

Meeting televised and webstreamed.